

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

In the Matter of the Application of IPC Network)	
Services, Inc., for a Certificate of Service Authority)	
to Provide Interexchange Telecommunications)	Case No. XA-2006-0223
Services and Non-switched Local Exchange)	Tariff File No. YX-2006-0391
Telecommunications Services)	

STAFF RECOMMENDATION

COMES NOW the Staff of the Missouri Public Service Commission, by and through counsel, and for its recommendation states:

1. In the attached Memorandum, which is labeled Appendix A, the Staff recommends that the Missouri Public Service Commission grant IPC Network Services, Inc., (Applicant) a certificate of service authority to provide intrastate interexchange telecommunications services and a certificate of service authority to provide local exchange telecommunications services restricted to dedicated, private line services. The Commission shall grant an application for a certificate of telecommunications service authority upon a finding that the grant of authority is in the public interest. §§ 392.430 and 392.440 RSMo (2000).

2. Staff also recommends that the Commission classify the Applicant and its services as competitive. The Commission may classify a telecommunications provider or its services as competitive if the Commission determines it is subject to sufficient competition to justify a lesser degree of regulation. §392.361.4. All the services a competitive company provides must be classified as competitive. §392.361.3.

3. Staff further recommends that the Commission approve the waivers listed in the Notice of Applications. The Commission may waive the application of its rules and certain statutes if the Commission determines that waiver is consistent with the purposes of Chapter 392. §§ 392.185, 392.361.5 and 392.420.

4. Finally, Staff recommends that the Commission grant approval of the Applicant's proposed Tariff No. 1, with a proposed effective date of January 12, 2006.

WHEREFORE, Staff recommends that the Commission grant Applicant a certificate of service authority to provide interexchange telecommunications services and a certificate of service authority to provide local exchange telecommunications services restricted to dedicated, private line services; approve the Applicant's proposed Tariff No. 1, with an effective date of January 12, 2006; grant it competitive classification; and approve the waivers listed in the Notice of Applications.

Respectfully submitted,

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/s/ William K. Haas

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Certificate of Service

I hereby certify that copies of the foregoing have been mailed, hand-delivered, transmitted by facsimile or electronically mailed to all counsel of record this 29th day of December 2005.

/s/ William K. Haas